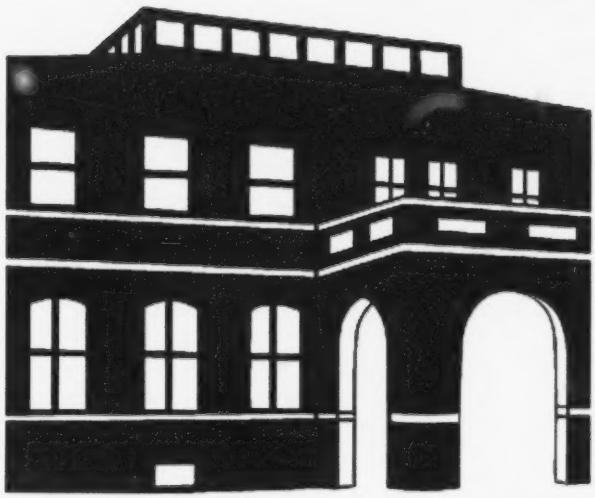
GOVERNMENT

▪ HOUSE ▪

FOUNDATION

ANNUAL REPORT
2009-2010



GOVERNMENT

▪ HOUSE ▪

FOUNDATION

Letters of Transmittal

The Honourable Dr. Gordon L. Barnhart, S.O.M.
Lieutenant Governor of the Province of Saskatchewan

Your Honour:

It is my privilege to submit the Annual Report of The Government House Foundation for the period ending March 31, 2010.

The Government House Revitalization Project will continue to demonstrate the Foundation's commitment to preserve and enhance Government House, including its museum and heritage property, as well as to promote public awareness of the historical, educational and cultural value of the property.

Respectfully submitted,

June Draude
Provincial Secretary

The Honourable June Draude
Saskatchewan Provincial Secretary
Room 204
Legislative Building
Regina SK S4S 0B3

Minister Draude:

It is my pleasure to submit the Annual Report of the Government House Foundation for the period ending March 31, 2010.

The Government House Foundation Board of Trustees is pleased to be a part of the Government House Revitalization Project. This project was announced on February 3, 2009 and will ensure representation of the past/present/future of Government House in a fun and educational environment that holds appeal for all generations.

Respectfully submitted,

Charles H. Knight
Chairperson, Board of Trustees

Introduction

The Government House Foundation was established by regulation, under the authority of The Historic Properties Foundation Act, on January 21, 2002. The site in the City of Regina commonly known as Government House was designated as a National Historic Site in 1968 and as a Provincial Heritage Property on August 26, 1981 and is the historic property for which the Foundation was established.

Our National Treasure

Government House is a National Historic Site and Provincial Heritage Property and is truly a Canadian treasure! Government House plays an important role in the Saskatchewan story, providing insight into the unique history of our province. It is a defining element of the province's beginnings and a true Canadian treasure built in 1891. This grand building first served as the official residence of the Lieutenant Governor of the North-West territories. Restored to the period of Lieutenant Governor Amedee Forget, who was in office from 1898-1910, the museum gives you a glimpse of life at Government House in the 20th Century.

Figure 1: ***Government House, 2008***

The Queen Elizabeth II wing, which was funded by the Government House Foundation through private donations, is visible on the left.

Our Goal

The Government House Foundation's primary goal is to preserve and enhance Government House, including its museum and heritage property, as well as to promote public awareness of the historical, educational and cultural value of the property.

Figure 2: ***A view of the grand Portico entrance to Government House.***

Above the Portico is a balcony off of the second floor Morning Room. On nice summer days, the ladies would move their chairs outside to this roof to catch a bit of fresh air and to enjoy the view.

Our Objective

Government House is an educational and historical resource for all of Canada. The goal of Government House is to offer a variety of accessible programs for all age groups and allow our visitors to customize their own memorable experience. Come explore Government House at your own pace with one of our new self guided tours of the Amédée Forget Museum or the Edwardian Gardens.

Our Focus

The Government House Foundation has a strong focus on the development and preservation of Government House as a National Historic Site and Provincial Heritage Property.

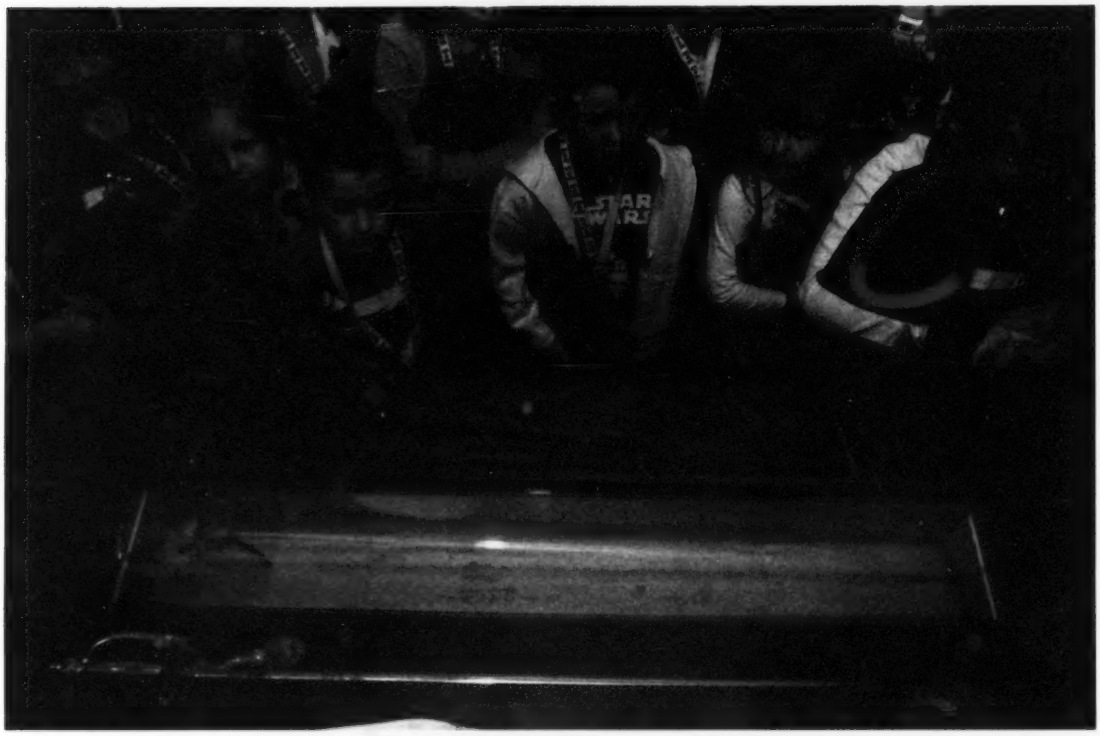


Figure 3: ***A group of schoolchildren on a guided tour of Government House.***

Currently, the Government House Foundation is supporting the revitalization plan for Government House. With initial rehabilitation of the Edwardian Gardens complete, a Vision Framework, or planning document, will be developed to guide renewal, revitalization and promotion of the entire heritage property. This includes the Amédée Forget Museum, the J.E.N. Wiebe Interpretive Centre, the Edwardian Gardens, Gift Shop and programs. The Framework will address and plan for elements of immediate renewal and on-going enhancements, as well as changing elements over a five-year period. The Vision Framework planning document is a master plan that will guide and inspire the ongoing renewal of Government House. It will describe how Government House can meet the needs of its diverse audiences most effectively. It will help ensure that human resources and available budgets are allocated most effectively in support of those goals.

The Edwardian Gardens Rehabilitation Project

Government House Foundation received $1.1 million in joint federal, provincial, and municipal funding through the Urban Development Agreement in order to complete the Edwardian Gardens rehabilitation project.

Figure 4*: The grounds at Government House have been rehabilitated following the Edwardian style that was popular when the gardens were originally planned.*

Our Future Plans

The Government House Foundation will continue to look for opportunities to offer a variety of accessible programs for all age groups and allow visitors to customize their own memorable experience.

Currently, the Board of Trustees, in conjunction with funding provided by Cameco Corporation for the Government House Centennial Project for school programming, has developed the Youth Mentorship Program.

The 2010 Youth Mentorship Program will provide students from the north an opportunity to come to Regina to learn about the public service and about the history and governance of Saskatchewan. During their stay they will meet the Lieutenant Governor, the Speaker and Cabinet Ministers. They will tour the Legislative Building, Government House, the RCMP Training Academy, and the University of Regina and participate in Equine Assisted Learning Development Training at the Beaver Creek Horse Ranch. Students will also meet and have an opportunity to thank Cameco representatives for their generous support and meet members of the Government House Foundation who had the vision for this program.

Board of Trustees

The Government House Foundation Board is responsible for the administration of the Foundation. Trustees of the Foundation are appointed by the Lieutenant Governor in Council. The trustees represent business, community, and government interests from across Canada, signifying the national importance of the Government House. As of March 31, 2010, the Board of Trustees was comprised of the following members:

Government House Foundation Board of Trustees

Patron	**His Honour The Honourable Dr. Gordon L. Barnhart, S.O.M.**, Lieutenant Governor of Saskatchewan
Chairperson	**Charles H. Knight**, Chief Executive Officer Denro Group of Companies, Regina
Vice-Chairperson	**Fredrick D. (Rick) Mantey**, Deputy Provincial Secretary Office of the Provincial Secretary, Regina
Secretary-Treasurer	**Lois Salter, CA**, Director, Financial Services Office of the Provincial Secretary, Regina
Trustees	**The Honourable A. Raynell Andreychuk**, Senator Regina and Ottawa
	Dean Burns, Barrister and Solicitor Calgary
	Paul J. Hill, Chairman, President, and Chief Executive Officer The Hill Companies, Harvard Developments Inc., Regina
	Karen Jackson, President and Member Government House Historical Society, Regina
	F. William Johnson, Q.C., Barrister and Solicitor Regina
	Wanda Lamberti, Executive Director, Central Management Services, Office of the Provincial Secretary, Regina
	Jacqui Shumiatcher, **S.O.M., LL.D.**, Regina

Honorary Trustees	**The Honourable Dr. Sylvia O. Fedoruk, O.C., S.O.M.** Saskatoon
	The Honourable Dr. Lynda M. Haverstock, C.M., S.O.M. Regina
	Joyce Johnson on behalf of **The Honourable Frederick W. Johnson** Regina
	The Honourable Pamela Wallin, O.C., S.O.M., Senator Ottawa
	Ann Wiebe on behalf of **The Honourable J.E.N. (Jack) Wiebe** Swift Current

Supplementary Financial Information

Personal Services

No individuals received payments for salaries, wages, honorariums, etc.

Supplier Payments

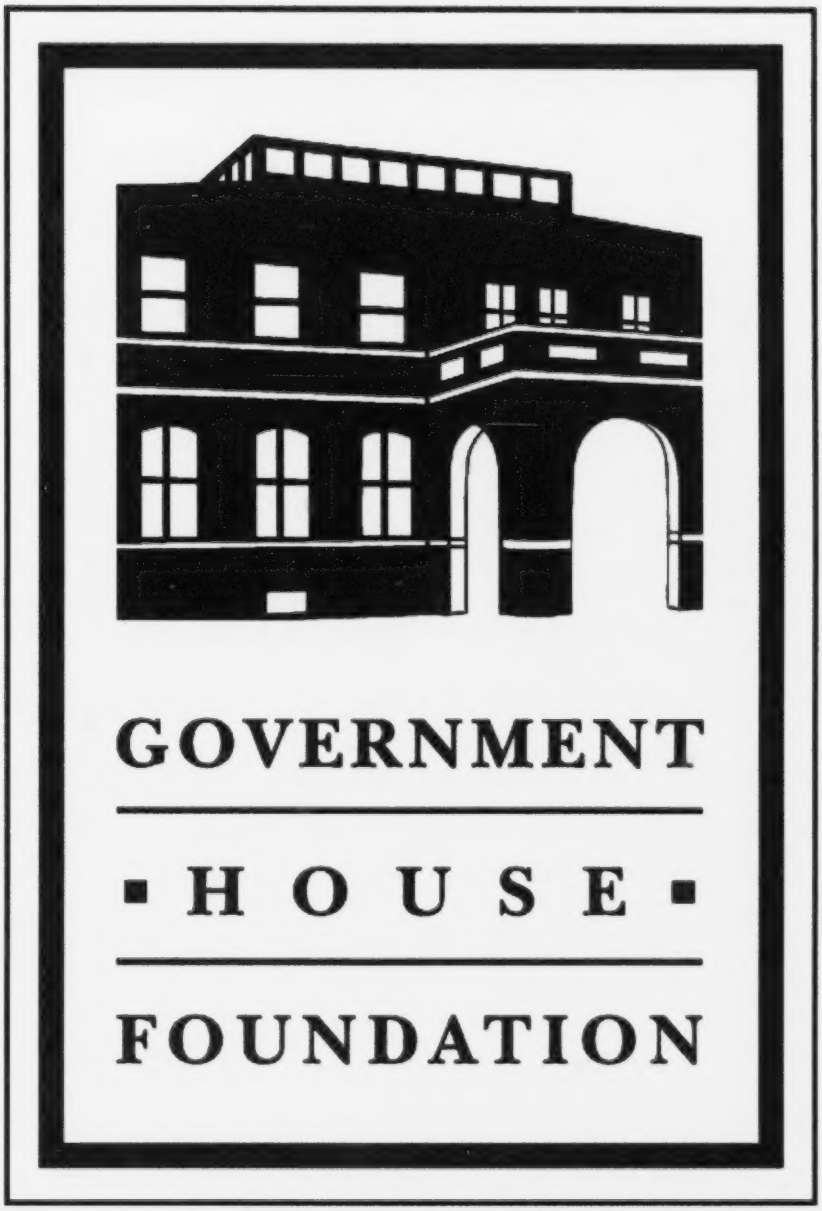
Government Services received $877,876 for work performed on the Edwardian Gardens project in 2009-2010.

Where to Obtain Additional Information

For further information about the Government House Foundation or to make a donation please contact us:

Executive Director
Government House
Telephone: (306) 787-5720

Government House Foundation
Government House
4607 Dewdney Avenue
Regina SK S4T 1B7



Financial Statements
March 31, 2010

Management's Responsibility for Financial Statements

The management of the Government House Foundation is responsible for the preparation and presentation of the financial statements. These statements have been prepared in accordance with generally accepted accounting principles for the public sector in Canada, consistently applied using management's best estimates and judgments where appropriate. Management is responsible for the reliability and integrity of the Financial Statements and other information in this Annual Report.

Management maintains a system of internal controls to ensure the integrity of information that forms the basis of the Financial Statements. The internal controls provide reasonable assurance that transactions are executed in accordance with proper authorization, that assets are properly guarded against unauthorized use and that reliable records are maintained.

The Provincial Auditor has audited the Financial Statements. His report to the Members of the Legislative Assembly, stating the scope of his examination and opinion on the Financial Statements, appears within this report.

On behalf of Management:

Charles H. Knight
Chair

Lois Salter, CA
Secretary - Treasurer

Provincial Auditor Saskatchewan

1500 Chateau Tower
1920 Broad Street
Regina, Saskatchewan
S4P 3V2

SASKATCHEWAN

Phone: (306) 787-6398
Fax: (306) 787-6383
Web site: www.auditor.sk.ca
Internet E-mail: info@auditor.sk.ca

AUDITOR'S REPORT

To the Members of the Legislative Assembly of Saskatchewan

I have audited the statement of financial position of the Government House Foundation as at March 31, 2010 and the statements of operations and accumulated surplus and cash flow for the year then ended. The Foundation's management is responsible for preparing these financial statements for Treasury Board's approval. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Foundation as at March 31, 2010 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Regina, Saskatchewan
June 7, 2010

Brian Atkinson, FCA
Acting Provincial Auditor

GOVERNMENT HOUSE FOUNDATION
Statement of Financial Position
As at March 31, 2010
(in dollars)

	2010	2009
Financial Assets		
Cash due from General Revenue Fund (*note 3*)	147,187	670,438
Grants receivable	300,000	-
Interest receivable	75	1,075
Pledges receivable (*note 4*)	10,000	19,000
Total Financial Assets	457,262	690,513
Liabilities		
Accounts payable and accrued liabilities	241,262	412,232
Deferred revenue (*note 5*)	51,455	19,205
Total Liabilities	292,717	431,437
Net Financial Assets	164,545	259,076
Accumulated Surplus	164,545	259,076

Contractual obligations (*note 10)*

The accompanying notes are an integral part of these financial statements.

GOVERNMENT HOUSE FOUNDATION
Statement of Operations and Accumulated Surplus
For the year ended March 31, 2010
(in dollars)

	Annual Budget (*note 8*)	2010	2009
Revenue			
Grant (*note 6*)	800,000	800,000	300,000
Donations and pledges	-	1,000	10,514
Restricted contributions (*note 5*)	7,000	-	-
Interest	3,000	1,066	10,082
Total Revenue	810,000	802,066	320,596
Expense			
Administration fees	500	-	1,117
Advertising and donor recognition	3,000	-	-
Meetings	400	222	405
Printing and courier	450	323	176
Telecommunications	25	-	27
Total Operating Expense	4,375	545	1,725
Excess of revenue over operating expense	805,625	801,521	318,871
Contribution towards construction (*note 6*)	(877,900)	(877,876)	(622,124)
Government House Revitalization Project (*note 7*)	-	(18,176)	-
Use of restricted contributions (*note 5*)	(7,000)	-	-
Deficit	(79,275)	(94,531)	(303,253)
Accumulated Surplus, beginning of year		259,076	562,329
Accumulated Surplus, End of Year		164,545	259,076

The accompanying notes are an integral part of these financial statements.

GOVERNMENT HOUSE FOUNDATION
Statement of Cash Flow
For the year ended March 31, 2010
(in dollars)

	2010	2009
Operating Activities		
Deficit	(94,531)	(303,253)
(Increase) decrease in receivables	(290,000)	92,924
(Decrease) increase in accounts payable and accrued liabilities	(170,970)	412,232
Increase in deferred revenue	32,250	-
Cash Provided by (Used for) Operating Activities	(523,251)	201,903
(Decrease) Increase in Cash	(523,251)	201,903
Cash, beginning of year	670,438	468,535
Cash, End of Year	147,187	670,438
Cash consists of:		
Cash due from General Revenue Fund	147,187	670,438

The accompanying notes are an integral part of these financial statements.

GOVERNMENT HOUSE FOUNDATION
Notes to the Financial Statements
As at March 31, 2010

1. Authority

The Government House Foundation (Foundation) was established on January 21, 2002 by The Government House Foundation Regulations and falls under the authority of *The Historic Properties Foundations Act*. Government House was designated as a Provincial Heritage Property on August 26, 1981.

The mandate of the Foundation is:

a) To preserve and enhance the Government House; and

b) To promote public awareness of:

- the character, setting and decor of the Government House;
- the historic and cultural values of the Government House;
- the significant events in the governance of Saskatchewan; and
- the history of Saskatchewan generally.

Funding for the Foundation is obtained primarily through gifts, grants, bequests, donations and interest revenue.

2. Significant Accounting Policies

These financial statements are prepared in accordance with generally accepted accounting principles for the public sector as recommended by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants. A statement of net debt has not been prepared as the information is readily determinable from the other statements. The following accounting policies are considered significant:

a) Revenue

Donations and pledges

Donations are recorded as revenue in the fiscal period in which they are received by the Foundation. Donations-in-kind are recorded at fair market value on the date of their donation.

Pledges are recorded as revenue when written pledge documents are received by the Foundation and there is a commitment to pay prior to the next year-end.

Restricted contributions

Externally restricted contributions are deferred and recognized as revenue in the year expenses are incurred for the specified purpose.

Interest revenue

Interest revenue is recorded in the year received or receivable.

b) Use of Estimates

The preparation of financial information requires management to make estimates and assumptions that affect reported amounts of assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the year. Actual results could differ from those estimates.

c) Fair Value

The Foundation's financial instruments include cash due from the General Revenue Fund, interest receivable, pledges receivable, accounts payable and accrued liabilities. The carrying amount of these instruments approximates fair value due to their immediate or short-term maturity. These instruments have no interest or credit risk.

3. Cash Due from General Revenue Fund

The Foundation's bank account is included in the Consolidated Offset Bank Concentration arrangement for the Government of Saskatchewan. The Foundation earns interest on a quarterly basis, calculated on the Government's thirty-day borrowing rate and the Foundation's average daily bank account balance. The Government's average thirty-day borrowing rate for the year was 0.27% (2009 – 1.95%).

4. Pledges Receivable

Pledges receivable were all collected subsequent to year end. Pledge revenue of $1,000 is a reversal of the allowance for uncollectible pledges as all pledges were received by the Foundation.

5. Externally Restricted Contributions

Deferred revenue represents funds donated by Cameco Corporation to be used for the Government House Cameco school program. In 2009-10 funds were donated by the Celebrate Canada Committee to be used for Canada Day celebrations.

(in dollars)	**2010**	**2009**
Deferred revenue, beginning of year	19,205	19,205
Celebrate Canada donation	32,250	-
Deferred revenue, end of year	51,455	19,205

6. Contribution Towards Construction

Construction was completed on the final phase of the Government House Centennial Project, the Edwardian Gardens in March 2010 at a cost of $1.5 million. This was funded through donations raised for the Government House Centennial Project and $1.1 million of Urban Development Grants.

7. Government House Revitalization Project

The trustees approved the use of funds from the Government House Centennial Project to engage a consultant to assist in the revitalization of Government House. This project was announced on February 3, 2009 and will address the question of why visitors should come to Government House, ensuring representation of the past/present/future of Government House in a fun and educational environment that holds appeal for all generations.

8. Budget

The 2009/10 budget was approved at the Annual General Meeting by the Board of Trustees on June 16, 2009.

9. Related Party Transactions

The Foundation is related to all Saskatchewan Crown agencies such as ministries, corporations, boards and commissions under the common control of the Government of Saskatchewan; Saskatchewan Crown agencies; non-Crown enterprises that the Government jointly controls or significantly influences; and trustees and their corporations over which they have significant control. The Foundation's bank account is included in the Consolidated Offset Bank Concentration arrangement for the Government of Saskatchewan.

Routine operating transactions with related parties are recorded at the rates charged by those organizations and are settled on normal trade terms. Provincial Sales Tax to the Saskatchewan Ministry of Finance is included in the cost of the related purchases.

The Office of the Provincial Secretary provided administrative services at no charge to the Foundation.

(in dollars)	**2010**	**2009**
Interest receivable	75	1,075
Accounts payable and accrued liabilities	223,088	412,013
Grant revenue	-	300,000
Donations and pledges revenue	-	14
Interest revenue	1,066	9,794
Telecommunications expense	-	27
Contribution towards construction	877,876	622,124

10. Contractual Obligations

As of March 31, 2010 Government House Foundation has engaged Hana Kaethe Aach Productions, Inc. for consulting services for the Government House Revitalization Project for $130,600.